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FM AMCONSUL ISTANBUL
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INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 ISTANBUL 000110

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DEPARTMENT FOR EUR/SE

E.O. 12958: DECL: 02/13/2017 TAGS: <u>PREL PGOV ECON TU AM</u>

SUBJECT: NEW TUSIAD CHAIRMAN: US CAN HELP CURB RISING

NATIONALISM IN TURKEY

Classified By: Ambassador Ross Wilson for reasons 1.4 (b) and (d)

- 11. (C) Summary: Newly elected Turkish Industrialists and Businessmen's Association (TUSIAD) Chairman Arzuhan Dogan Yalcindag and the head of TUSIAD's parliamentary commission Pekin Baran told Ambassador that the loss of EU and US credibility in Turkey has contributed to the recent rise of nationalism. Yalcindag expressed concerns about increased polarization in Turkey and suggested that the U.S. could help counter this trend and support liberal democracy by taking visible steps against the PKK and refraining from passing an Armenian Genocide Resolution (AGR) in Congress.

 Nevertheless, both she and Baran were optimistic about Turkey's ability to make progress on most key issues. End summary.
- 12. (C) During a February 7 introductory meeting, Yalcindag who was elected TUSIAD Chairman on January 25 described to Ambassador her goals and agenda for Turkey's leading business organization. She intends to increase TUSIAD's voice, including in political affairs, and to promote stability and prosperity through support for sound macroeconomic policies and the EU relationship. Yalcindag pledged to continue TUSIAD's lobbying and academic research, noting such political activities were not a new phenomenon for the organization. Its recently released democratization report that attracted attention for its controversial recommendations on Kurdish-language education and other issues, for example, was actually a follow-up to a report that came out ten years ago.
- 13. (C) Yalcindag expressed concern for what she believed to be the increased polarization of Turkey over the last few months. She blamed this development on a difficult EU accession process and the PKK situation in northern Iraq. Citing former German Chancellor Gerhard Schroeder and French President Jacques Chirac, Yalcindag lamented that some of Turkey's friends in the EU are no longer in leadership positions or are about to depart those positions. She stated Turkish public opinion in support of EU accession has decreased but defended the government's lack of leadership in promoting associated reforms.
- 14. (C) Baran was more direct in crediting this polarizing trend to external influences. He blamed rising anti-Western, anti-American sentiment on an EU and U.S. loss of credibility. These are leading to growing radicalism in some quarters of society. Baran added that the process began at the EU Summit in December 2004 when unique restrictions were applied to finalizing Turkey's EU accession. A disillusioned GOT, he claimed, responded by waiting seven months to appoint State Minister Ali Babacan as its chief EU negotiator. The process continued when the French required a referendum to approve Turkey's EU membership. Another negative was the December 2006 decision to suspend eight chapters in the EU

process. Still, Baran was quick to point out that Turkey successfully pushed through an aggressive reform agenda between 2002 and 2004, demonstrating that with determination and external support, Turkey can move forward.

- ¶5. (C) Baran worried about the impact of negative trends in Iraq. He believed the Turkish public had previously viewed itself as a partner with a stake in the success of Iraq but this view was now shifting. Yalcindag opined that additional US troops there would help, but was concerned about the type of training these troops would receive prior to deployment and their sensitivity to local customs and mores. While recognizing the recent French action against PKK elements in Paris as a positive step, she implored that action by the U.S. on the PKK would go a long way toward burnishing the US image in Turkey and blunt the loss of credibility that is undermining Western values here.
- 16. (C) Both Yalcindag and Baran expressed positive opinions concerning the public reaction to the murder of Armenian Turkish human rights advocate Hrant Dink. Baran noted the presence of radicalism in Turkey was not new but that the nascent forces speaking out against nationalism was a promising development. If push came to shove, this nascent opposition would defeat the radical elements.
- 17. (C) Yalcindag and Baran agreed that U.S. Turkish relations would be significantly harmed by the passing of an AGR in Congress. Yalcindag said that the man on the street doesn't understand why the EU blames Turkey for the Cyprus problem or why other countries try to legislate Turkish issues or why more cannot be done on the PKK situation. She is planning a visit to Washington, o/a March 19 or possibly earlier and hopes to have meetings on the Hill to discuss Armenia.

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